



## YOUTH COMMUNITY CORRECTIONS BUREAU STANDARD OPERATING PROCEDURES

Procedure No. YCC 200-4	Subject: <b>SOCIAL SECURITY BENEFITS</b>
Chapter 200: FINANCIAL & PROGRAM SERVICES	Page 1 of 5
Applicable ACA Standards:	Revision Date: 01-09-06, 11-23-07, 10-10-08, 08-17-09
Signature: /s/ Karen Duncan	Effective Date: 02-10-04
Signature: /s/ Steve Gibson	

### I. BUREAU DIRECTIVE:

The Regional Administrative Officers (RAOs) have the ability to apply for the transfer of Social Security Benefits, making the Department of Corrections payee, for youth who receive benefits and are placed in the care and custody of the Youth Court or the Department of Corrections. The funds will be used to offset the cost of care of benefit-eligible youth while in an out-of-home placement. This procedure will be reviewed annually and updated as needed.

### II. DEFINITIONS:

**CAPS** - Child and Adult Protective Services, the online statewide management system maintained by DPHHS. CAPS will be referenced as the vehicle through which payments will be made for out-of-home placements and/or for services provided to the youth.

**DPHHS** – Department of Public Health and Human Services for the State of Montana.

**Guardian** – an adult who is either the parent or another individual to whom the court has granted guardianship. Legal custody does not equate to guardianship

**Parent** - the natural or adoptive parent, but does not include a person whose parental rights have been judicially terminated, nor does it include the putative father of an illegitimate youth unless the putative father's paternity is established by adjudication or by other clear or convincing proof. [\[41-5-103 \(30\), MCA\]](#)

**SSB** - benefits for youth received from the account of another due to death, disability, blindness, or retirement of that person. SSB will be paid without regard to the youth's placement in a Youth Correctional Facility.

**SSI** - Social Security paid to the youth based on the youth's disability. This type of benefit only pays if the youth is not incarcerated.

**SSI Supplemental** - a state supplement that is paid for youth who are in a group home placement; this supplement is only available to those youth qualifying for SSI.

**Trust Account** – an account that is developed for each youth with resources (SSI, SSB, or Cost-of-Care Contributions). This account is a transitional account where income, expenditures, interest and balances are reported.

Procedure No.: YCC 200-4	Chapter 200: FINANCIAL & PROGRAM SERVICES	Page 2 of 5
Subject: <b>SOCIAL SECURITY BENEFITS</b>		

**Youth** - an individual aged 10 through 17 who has been court-ordered to the Department of Corrections for placement into a secure care facility

### III. PROCEDURES:

- A. When the Department is partially or fully funding the cost of out-of-home care and the child will be in placement for 90 days or longer, the Regional Administrative Officer must apply for the Department to become payee. The central office address (PO Box 201301, Helena, MT 59620-1301) will be used on all requests to become payee so DOC receives all monthly checks and correspondence.
- B. The Department will become payee for a child's Supplemental Security Income if the Department has been given the responsibility for the care and custody of the child. Children receiving SSI benefits may have resources up to \$2,000. Efforts have to be made to ensure the resources do not exceed the \$2,000 limit or the child could have their benefits suspended, terminated and/or benefits could have to be refunded.
- C. Social Security Benefits do not have a high dollar ceiling, but are intended for use to offset the current cost of care for the youth while in placement. Exceptions to this policy are made only when required by an agent outside of the Department of Corrections or DPHHS with this authority. (For example, a court or the Social Security Administration when requiring the funds be placed in a dedicated account.)
- D. State law requires that any non-general fund money received by the Department of Corrections be applied against expenditures before state general fund is used for these costs ([Mont. Code Ann. § 17-2-108](#)). In accordance with this law all income received on or after February 1997 will be used to offset the child's cost of care before any funds are reserved in a trust account for additional needs of the child. Further, funds in trust accounts that exceed the child's cost of care should be directed toward the long-term goal of developing healthy, well-adjusted adults. These funds are intended to be used first to benefit the child through the purchase of clothing and other items that meet the child personal needs. Remaining funds may be used for the child's anticipated future needs such as higher education, medical bills, or expenses related to the transition out of foster care.
- E. When a youth is residing in a facility paid for with placement funds and provides for the majority of the child's care, the RAO has authority to apply to become the representative payee. Fax form [YCC 200-4 \(E\), Eligibility Inquiry](#), to determine whether a youth currently receives benefits to Social Security Administration.
- F. Application for Becoming the Representative Payee

Procedure No.: YCC 200-4	Chapter 200: FINANCIAL & PROGRAM SERVICES	Page 3 of 5
Subject: <b>SOCIAL SECURITY BENEFITS</b>		

1. Contact the local Social Security office using [YCC 200-4 \(A\), Representative Payee Application](#).
  2. At a minimum, have the following information available:
    - a. The name of the facility where the youth has been placed;
    - b. The address of the facility;
    - c. Type of facility (group home, residential, etc);
    - d. Interested parties and their addresses;
    - e. The address of DOC central office where checks will be sent.
  3. Social Security will electronically submit the application based on contact with the RAO. If applying for the SSI supplemental income (SSI recipients only) the youth receives SSI benefits and is placed in a group home, complete the [DPHHS-SLTC-108 \[YCC 200-4 \(B\)\]](#), Supplemental Security Income Certification of State Supplemental Payment form and provide it with the application.
- G. If a child receives only SSI, then they are not eligible for foster care Medicaid. If a child receives SSB and cost-of-care income, that income is counted for the child and affects the Medicaid. Anything over the \$575 must be paid as an incurment before the Medicaid can be authorized. Someone from the IV-E Unit will contact the R.A.O. or the case worker if this is the case. The IV-E Unit will send the pink incurment slips to fiscal and they pay from the child's trust account.
- H. Discontinuation as Representative Payee
1. When the child is no longer going to be served using placement funds, Social Security should be notified immediately using [YCC 200-4 \(D\), Representative Payee Cancellation Request](#). Additionally, notification is required when the child is moved from one placement to another, or the child goes on run for an extended period of time.
  2. If the child was receiving SSI and the state supplement, completion of form [DPHHS-SLTC-109 \[YCC 200-4 \(C\)\]](#), Supplemental Security Income - Termination of State Supplemental Payment is required when the child leaves placement.
- I. Completing the Social Security Administration Representative Payee Report
1. The Social Security Administration Representative Payee Report is sent to the payee on two occasions:
    - a. Once a year for every year the Department is payee;

Procedure No.: YCC 200-4	Chapter 200: FINANCIAL & PROGRAM SERVICES	Page 4 of 5
Subject: <b>SOCIAL SECURITY BENEFITS</b>		

- b. At the point that a new payee is selected - a form should be automatically generated allowing the Department to report how the money was spent and any balance remaining.
2. This report can be completed online at the following location:  
<http://www.socialsecurity.gov/payee/index.htm>
3. If completing the report manually follow these instructions:
  - a. Generate CAPS Report 5887. Go to the TACL screen and enter the client's CAPS ID. At the bottom of the screen, enter the report dates (the dates are found on the Representative Payee Report at the top left, where it says Report Period). Press the F6 key. A message should appear that the report will be generated.
  - b. The next day, use Document Direct to print the CAPS report. Identify your report from the list and print.
  - c. If the End Balance and Expenditures are zero in the CAPS report, fill out the Payee Report as follows:
    - i. Question 1, check NO
    - ii. Question 2, check YES
    - iii. Question 3A, check YES
    - iv. Question 3B, enter the amount under FOOD and SHELTER
    - v. Question 3C, enter the amount under OTHER EXPENDITURES
    - vi. Question 3D, enter any amount saved for the youth
    - vii. Question 6, sign your name
    - viii. Question 7, enter the date
    - ix. Question 8, write your job title
    - x. Question 9, write your phone number
  - d. If the END BALANCE in the CAPS report is not zero and the reason is not all of the Social Security Benefit was used, complete the report as stated above, along with the following:
    - i. Question 3D, enter the amount under END BALANCE
    - ii. Question 4A, check OTHER
    - iii. Question 4B, check YOUTH NAME, for Beneficiary's Name
    - iv. Question 5A, write "INTEREST BEARING"
    - v. Question 5B, write "DPHHS"
  - e. If the END BALANCE in the CAPS report is not zero and the reason is additional income was received from parental contributions or child support, fill out the payee report as above, and also the following:
    - i. Identify the total on the CAPS Representative Payee Report for the Social Security Income Received.

Procedure No.: YCC 200-4	Chapter 200: FINANCIAL & PROGRAM SERVICES	Page 5 of 5
Subject: <b>SOCIAL SECURITY BENEFITS</b>		

- ii. To calculate the Food and Shelter portion, multiply the amount of Social Security Income by 41.4% and enter the total under the Food and Shelter section
- iii. To calculate the Other Expenditures, multiply the amount of the Social Security Income by 58.6% and enter the total under the Other Expenditures
- iv. The total of the calculated Food and Shelter and Other Expenditures should equal the total Social Security Income received. If the totals do not balance, an error has been made.
- f. If the benefits printed in Part 3 of the Payee Report disagree with those on the CAPS report, cross off the benefit amount on the Payee Report and replace them with the amount on the CAPS report. The CAPS report is considered to be accurate if it disagrees with the Social Security Payee Report, and there has been no other income added to the trust account through child support, parental contributions, etc.

#### IV. CLOSING:

Questions concerning this procedure shall be addressed to the Financial and Program Services Supervisor.

#### V. REFERENCES:

[17-2-108; MCA](#)      [Expenditure of non-general fund money first](#)  
[41-5-103; MCA](#)      [Definitions](#)  
CFS Policy 403-1      *Substitute Care for Children – Foster Child – Income or Resources*  
CFS Policy 403-2      *Substitute Care for Children – Trust Accounts*  
SSA Publication No. 05-10076; *Social Security – A Guide for Representative Payees*

#### VI. ATTACHMENTS:

[YCC 200-4 \(A\) Representative Payee Application](#)  
[YCC 200-4 \(B\) DPHHS-SLTC Form 108](#)  
[YCC 200-4 \(C\) DPHHS-SLTC Form 109](#)  
[YCC 200-4 \(D\) Representative Payee Cancellation Request](#)  
[YCC 200-4 \(E\) Eligibility Inquiry](#)